

2. As part of his investigation, the Receiver discovered payments made by one or more of the Receivership Defendants to J. Flicek or Ellipsis, an entity he controls, totaling not less than \$107,210.00.

3. On or about September 13, 2021, the Receiver filed a lawsuit styled *Crawford v. Bleden, et al.*, Cause No. 3:21-cv-02181 in this Court against Flicek and more than a dozen other individuals and entities who the Receiver contends received fraudulent transfers from the Receivership Defendants in exchange for assisting the Receivership Defendants in soliciting investments, through false and misleading representations, made to unsuspecting investors. J. Flicek and Ellipsis deny any liability to the Receiver.

4. To avoid the expense of litigation and to provide funds to the Receivership Defendants' investor victims, subject to the Court's approval, the Receiver and Flicek agreed to fully settle the Receiver's claims against Flicek in exchange for a payment by Flicek in the amount of \$62,500.00 (the "Settlement Payment"), not later than March 1, 2023. A true and correct copy of the Settlement Agreement and Mutual Release between the Receiver and Flicek (the "Settlement Agreement") is attached hereto as **Exhibit 1**, and incorporated herein by reference for all purposes. The Settlement Agreement is null and void if not approved by the Court or if Flicek fails to timely make the Settlement Payment.

5. The Settlement Agreement followed extensive negotiations between Flicek and the Receiver and is predicated on a Flicek sworn financial statement, which evidenced Flicek inability to repay all funds he received from the Receivership Defendants in the event the Receiver obtained a judgment against Flicek.

6. The Receiver believes the Settlement Agreement is in the best interest of the Receivership Estate because it: (a) avoids the attorneys' fees and expenses that would otherwise

be incurred if the Receiver continued to litigate his claims against Flicek; (b) avoids the uncertainty inherent in collecting a judgment; and (c) was negotiated after Flicek confirmed his inability to pay a higher amount.

7. Accordingly, the Receiver respectfully requests that the Court approve the Settlement Agreement, and such other and further relief to which he may be justly entitled.

Dated: February 16, 2023

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CERTIFICATE OF CONFERENCE

The undersigned hereby certifies that the Receiver or his counsel conferred with counsel of record for the Commodities Futures Trading Commission (“CFTC”) who indicated that the CFTC did not oppose this Motion. In addition, the undersigned contacted two of the Defendants’ local counsel of record, Heath Hyde and Howard Spector, on February 15, 2023, regarding this Motion but did not get a response from said counsel.

/s/ Peter C. Lewis

CERTIFICATE OF SERVICE

Pursuant to Fed. R. Civ. P. 5(d)(1)(B), as amended, no certificate of service is necessary because this document is being filed with the Court’s electronic-filing system.

/s/ Peter C. Lewis